

keeping with the spirit of the E-Rate Program. Sprint, therefore, has not proposed any repayment associated with this apparent clerical error by Miami-Dade.

I. Substitution of School Locations

In the course of its audit, Sprint was unable to reconcile all of its physical installation records with the approved funding requests. It appears that after filing its Form 471 application, Miami-Dade must have asked that the approved key systems be installed at different locations than those listed in the Form 471. This type of substitution occurred a total of eight times between Funding Years 1998 and 1999. While it does not appear that Miami-Dade filed corresponding service substitution forms, we see no evidence that these errors were intentional. We reviewed Miami-Dade's other Form 471 applications that referenced the eight schools in question to determine discount percentages. We observed no effort to exchange funding approval for a high discount school (80% or 90%) for installation at a low discount school. Instead, either the switched schools had the same discount percentages or an 80% approval was used to install equipment at a 90% school. Sprint also confirmed that each school received only one key system installation and that each school received E-Rate funding for a key system only once within the 1998 and 1999 Funding Years.

Sprint has included these eight schools in its overpayment calculations above to the extent that these schools were affected by those issues. We have proposed no further repayment because the goals of the E-Rate program were fulfilled. The eight schools received essential, eligible telecommunications equipment, at the appropriate discount levels approved by USAC. We found no intent to deceive USAC through these substitutions. We further note that the E-Rate program guidelines, particularly those related to service locations and service substitutions, were somewhat fluid during the first two years.

V. SPRINT'S INVESTIGATION OF OTHER MIAMI-DADE TRANSACTIONS

A. Background and Methodology

Sprint employed a sampling methodology in assessing the 355 transactions that were not included in the Request or the similar Funding Year 1998 elementary school key systems.⁴² We began by stratifying the population based on similarities in equipment packages and the amounts submitted for approval on Miami-Dade's Form 471 Applications. We identified six well-defined sets of transactions and one "catch-all" set for those transactions that did not fit into the six heterogeneous sets.

Package One:	Uninterruptible Power Supply for Elementary Schools
Package Two:	Uninterruptible Power Supply for Elementary Schools and Educational Centers
Package Three:	Analog Station Modules for Elementary Schools
Package Four:	Nortel Option 11c Private Branch Exchange system (PBX) for Middle Schools
Package Five:	Nortel Option 11c PBX for Middle Schools

⁴² See Note 5 *supra*.

Package Six: Nortel Option 11c PBX for High Schools
Package Seven: Unclassifiable

Sprint then audited samples (between 12 and 30 percent, based on package value and total population size of each set) of the six heterogeneous sets. The variances between transactions within each set were minimal, giving us confidence in extrapolating the sample results across the entire population of each set. For the seventh set, Sprint audited every transaction. We observed no errors requiring repayment in Packages One or Two.

Even with a sampling approach, Sprint audited 22.5 percent of the 355 transactions, representing 54 percent of the amounts paid by USAC in connection with these transactions. We believe our approach is valid and appropriate, and we are prepared to make repayments based on the results discussed below.⁴³

The audits revealed two types of mistakes: invoicing USAC for ineligible equipment and returns of eligible equipment without USAC and Miami-Dade invoice adjustments. We also identified one transaction for which Sprint was unable to find sufficient supporting documentation, even though USAC funded the transaction.

B. Discrepancies Between Sprint Bids, Miami-Dade 471s, and Sprint Installations

As discussed above, differences between Sprint's bid, Miami-Dade's Form 471 application and Sprint's installation, costing and billing records resulted in overpayments by USAC. We observed variant forms of this error in four of the six heterogeneous sets and in all of the unique Package Seven transactions.

In Package Three, Sprint observed small pricing discrepancies between its JCAs and Miami-Dade's Form 471 Applications. In Package Four, Sprint's JCAs generally matched Miami-Dade's Form 471 Applications. Sprint, however, provided Miami-Dade with certain ineligible components in these transactions that subsequently were invoiced on a pro-rata basis to USAC.⁴⁴

In Packages Five and Six (and many transactions in Package Seven), Sprint submitted bids to Miami-Dade to provide a small PBX with a package price of approximately \$35,000 for middle schools and \$55,000 for high schools. For some of these schools, Miami-Dade also requested a voicemail system, ineligible for E-Rate funding, costing about \$14,000.⁴⁵ Miami-Dade's corresponding Form 471 Applications for all of these schools requested funding for a much larger PBX costing nearly \$125,000.⁴⁶ USAC approved Miami-Dade's funding request for the larger PBX, but Sprint installed the smaller PBX and voicemail system originally proposed.⁴⁷

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⁴⁴ See I

⁴⁵ See E

⁴⁶ See I

⁴⁷ See E

Sprint invoiced for the total package actually installed, apportioning costs between Miami-Dade and USAC based on each school's discount percentage.⁴⁶ In the majority of these installations, Sprint invoiced Miami-Dade separately for the ineligible voicemail, without any corresponding invoice to USAC. In others, however, it appears that the individual eligible item prices were reduced so that the voicemail system was partially funded by USAC. The costs of the ineligible and eligible items were not separated, resulting in the total installed package treated as eligible. Accordingly, E-Rate funds were used to subsidize purchases of telephone handsets, voice mail and other ineligible components of these PBX systems.⁴⁷ Based on our sample, we calculated USAC's overpayment toward ineligible equipment to be \$512,005.

We have no evidence that Miami-Dade filed a service substitution request to install the smaller PBX, though we are confident that USAC would have approved such a request. As a result of the substitution and Sprint's correct application of each school's discount percentage, Miami-Dade received the same functionality that USAC had approved, but at a substantially reduced cost to Miami-Dade and to USAC. Accordingly, we believe that USAC's full overpayment for these transactions is captured in the ineligible equipment described in Attachment #2 to this Supplemental Response.

C. Returns of Eligible Equipment Without Invoice Adjustment

As in the 202 elementary schools that received key systems, Sprint found that Miami-Dade occasionally returned equipment components within the remaining population of E-Rate transactions. Sprint did not adjust its invoicing for these returns and exchanges by Miami-Dade. This approach was appropriate for any equipment that was not eligible for or purchased with E-Rate funds.

Our audit revealed, however, that Miami-Dade returned some components of Packages Five and Six, along with some components of deals in Package Seven, that were purchased with E-Rate funding. Sprint did not make a corresponding adjustment to USAC invoices for these transactions. We therefore agree to repay USAC \$11,981 in connection with these exchanges.

D. Lack of Documentation for One Transaction

Sprint engaged in an E-Rate transaction during Funding Year 1998 with Avocado Elementary School, documented on Funding Request No. 136407. We have confirmed that USAC paid Sprint \$77,187.01 in connection with Miami-Dade's purchases for this school. Despite our best efforts, however, this is the one transaction for which Sprint's audit has not identified sufficient supporting documentation from which to evaluate the transaction fully. This transaction was therefore excluded from the seven groups discussed above.

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⁴⁷ See

Recognizing the difficulties posed by incomplete records, Sprint has elected to treat this transaction as one for which USAC is likely entitled to some refund. The average overpayment rate for transactions in the seventh set was approximately 19%. The highest individual overpayment for Package Seven, however, was 64.32%. As a sign of Sprint's willingness to reimburse USAC for the full measure of any overpayment, we have applied this highest-single-transaction error rate to the Avocado Elementary payment received from USAC. Sprint therefore will repay \$49,647 to USAC in connection with this funding request.


VII. CONCLUSION


Sprint has attached a detailed breakout of specific amounts allocable to each Miami-Dade funding request.³⁰ Although we believe the exhibits to this Response provide sufficient detail for USAC to verify our accounting for each transaction, we will cooperate fully with USAC to provide any additional information required. We are prepared to repay all erroneously disbursed E-Rate funds associated with the Miami-Dade transactions upon confirmation from USAC of the amount due.

Sprint has acted in good faith in bringing forward new information related to Miami-Dade, sharing our process audit findings with USAC, and implementing appropriate remedies to problems identified. We are committed to providing service to eligible schools and libraries in full compliance with E-Rate program rules. If you have any further questions, please contact me.

Sincerely,

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³⁰ See Attachment #1.

Funding Year 1 and 2 (1998-2000) - 202 Elementary Schools Miami-Dade County

School Name	FRN Number	Funding Year	E-Rate Discount Matrix	USAC Wire Transfer Number	USAC Wire Transfer Amount	Amount Reimbursed to the SLD from Sprint (471/bid discrepancy)	Amount Reimbursed to the SLD from Sprint (returns)	Total Amount Reimbursed to the SLD from Sprint
Air Base	219043	1999	80%	C000052913	\$9,965.60			
Amelia Earhart	219046	1999	80%	C000052913	\$11,211.30	4,074.23	258.31	4,332.54
Aracelis	219051	1999	80%	C000052913	\$9,965.60	4,583.51	258.31	4,841.82
Banyan	219055	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Benjamin E.R.	219059	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Benjamin Franklin	219068	1999	90%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
Bent Tree	219069	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Blue Lakes	219072	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Bowman Foster Ash	219078	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Bryan W.J.	219089	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Bunche Park	219081	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Calusa	219082	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Carol City	219085	1999	40%	C000052913	\$4,982.80	2,037.12	258.31	2,295.43
Carver G.W.	219089	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Chapman W.J.	219091	1999	90%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Charles Wyche	219092	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Charles Hadley	219093	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Charles Drew	219100	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Citrus Grove	219105	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Claude Pepper	219109	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Cocoma Grove	219114	1999	80%	C000052913	\$9,965.60	2,546.40	258.31	2,804.71
Colonial Drive	219124	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Cooper, Neva King	219134	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Coral Gables	219137	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Coral Reef	219139	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Coral Terrace	219141	1999	40%	C000052913	\$4,982.80	2,037.12	258.31	2,295.43
Coral Way	219144	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Crestview	219146	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Cutter Ridge	219149	1999	60%	C000052913	\$6,969.60	4,074.23	258.31	4,332.54
Cypress	219152	1999	80%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
Danon Air	219153	1999	80%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
Douglas, Frederick	219154	1999	80%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Dunbar	219155	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
DuPuis	219158	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Eastington Heights	219157	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Edison Park	219160	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Edward Whigham	219163	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Enrique Harvey	219167	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Ernest Graham	219168	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Everglades	219189	1999	60%	C000052913	\$6,969.60	4,074.23	258.31	4,332.54
Fairchild	219190	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Fairview	219191	1999	80%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Fairborn Fisher	219192	1999	90%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Flagler	219193	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Flamingo	219194	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Florida City	219195	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Florida	219196	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Garrett Porter	219198	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Glenn Ford	219197	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Gloria Floyd	219199	1999	80%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Greenbush	219201	1999	60%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
Gulfstream	219202	1999	80%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
Harry Reeves	219203	1999	80%	C000052913	\$9,965.60	4,074.23	258.31	4,332.54
Hialeah	219205	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Hialeah	219223	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Highland Oaks	219230	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Holmes	219232	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Howard Drive	219233	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Ining and Beascoe	219233	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Island	219242	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
J.W. Johnson	219243	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Jack Gordon	219245	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
James Bright	219246	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Jane Roberts	219247	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Joella Good	219248	1999	60%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
John I. Smith	219250	1999	50%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Kateley Platt	219253	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Kendall	219256	1999	80%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Kendall Lakes	219256	1999	80%	C000052913	\$6,228.50	2,546.40	258.31	2,804.71
Kenneth Park	219260	1999	80%	C000052913	\$7,474.20	3,055.67	258.31	3,313.88
Kennwood	219261	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Kay Baccythe	219265	1999	40%	C000052913	\$4,982.80	2,037.12	258.31	2,295.43
Lake Sorens	219267	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Lakewood	219268	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Lakewood	219269	1999	40%	C000052913	\$4,982.80	2,037.12	258.31	2,295.43
Laura Saunders	219270	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Liberty City	219272	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Loma Park	219273	1999	90%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82

CONFIDENTIAL TREATMENT REQUESTED

Funding Year 1 and 2 (1998-2000): 202 Elementary Schools Miami-Dade County

School Name	FRN Number	Funding Year	E-Rate Discount Matrix	USAC Wire Transfer Number	USAC Wire Transfer Amount	Amount Reimbursed to the SLD from Sprint (471/bld discrepancy)	Amount Reimbursed to the SLD from Sprint (returns)	Total Amount Reimbursed to the SLD from Sprint
Luckman	218276	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Mac Walters	218276	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Martin, P.C.	218277	1999	60%	C000052913	\$7,474.20	3,055.57	258.31	3,313.88
Meadow Lane	218278	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Mont Gardens	218282	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Mont Heights	218283	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Mont Lakes	218284	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Mont Park	218437	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Mont Shores	218438	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Mont Springs	218440	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Olson	218441	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Morningside	218442	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Murphy Grove	218443	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Narcosis	218444	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Nathan Young	218445	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Norland	218447	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
North Beach	218448	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
North Carol City	218449	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
North Glade	218450	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
North Hales	218451	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
North Hill	218452	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
North Twin Lakes	218453	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Nonwood	218454	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Oak Grove	218455	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Olas	218456	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Olands	218457	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Oliver Hoover	218458	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Ondard Villa	218459	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Orchard Villa	218461	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Palm Lakes	218462	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Palm Springs Nth	218463	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Palmer	218464	1999	80%	C000052913	\$7,474.20	3,055.57	258.31	3,313.88
Parkview	218465	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Parkway	218466	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218467	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218468	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218469	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218470	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Parkway	218471	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218472	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218473	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218474	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218475	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218476	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218477	1999	80%	C000052913	\$9,965.80	4,074.23	258.31	4,332.54
Parkway	218478	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218479	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218480	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218481	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218482	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218483	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218484	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218485	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218486	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218487	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218488	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218489	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218490	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218491	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218492	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218493	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218494	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218495	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218496	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218497	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218498	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218499	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218500	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218501	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218502	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218503	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218504	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218505	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218506	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218507	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218508	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218509	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218510	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218511	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218512	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218513	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218514	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218515	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218516	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218517	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218518	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218519	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218520	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218521	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218522	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218523	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218524	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218525	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218526	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218527	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218528	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218529	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218530	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218531	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218532	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218533	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218534	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218535	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218536	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218537	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218538	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218539	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218540	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218541	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218542	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218543	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218544	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218545	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218546	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218547	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218548	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218549	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218550	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218551	1999	80%	C000052913	\$11,211.30	4,583.51	258.31	4,841.82
Parkway	218552							

CONFIDENTIAL TREATMENT REQUESTED

Funding Year 1 and 2 (1998-2000) - 202 Elementary Schools Miami-Dade County

School Name	FRN Number	Funding Year	E-Rate Discount Matrix	USAC Wire Transfer Number	USAC Wire Transfer Amount	Amount Reimbursed to the SLD from Sprint (471/bid discrepancy)	Amount Reimbursed to the SLD from Sprint (returns)	Total Amount Reimbursed to the SLD from Sprint
Kinloch Park	219266	1998	90%	C000052913	\$11,211.50	4,583.51	258.31	4,841.82
Merick Education Center	219281	1999	90%	C000052913	\$7,474.20	3,035.57	258.31	3,313.98
Palo Springs	219464	1999	80%	C000082913	\$9,965.80	4,074.23	258.31	4,332.54
Alapakah	33534	1998	80%	C000027009	\$4,981.00	N/A	616.57	616.57
Angela Liles	33548	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Aurora	33562	1998	80%	C000027009	\$5,581.13	N/A	616.57	616.57
Bel-Aire	33570	1998	80%	C000027009	\$4,981.00	N/A	616.57	616.57
Ben Sheppard	35121	1998	80%	C000027009	\$4,981.00	N/A	616.57	616.57
Blackhawk	33582	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Blissway Gardens	32828	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Brentwood	32839	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Broadmoor	34266	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Campbell Drive	34279	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Caribbean	34297	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Comstock	34311	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Coast Park	34337	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Doris B. Fawcett	34352	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Emerson	34388	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Joe Hall	34416	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Florida Heights	34712	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Golden Glades	34750	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Gratigny	34758	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Greynolds Park	34837	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Marys Angelou	34942	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Hialeah Gardens	34958	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Ladona City	34971	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Lisa C. Evans	34973	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Lido River	34990	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Madeira	34990	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Marjory S. Douglas	34371	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Martin L. King	34884	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Melrose	34950	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Natural Bridge	34982	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
North Country	34959	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Olympic Heights	34974	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Open Locks	35045	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Palm Springs	35067	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Gilbert Porter	34737	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Pokidens Park	35099	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
R. R. Moton	34958	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Richmond	35073	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
North Beach	34985	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Sable Palm	35088	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Shadowmawn	35101	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Shenandoah	35115	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Toussaint L. Overturn	34933	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Van E. Blanton	32631	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Cudler Ridge	34356	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Westview	35145	1998	90%	C000027009	\$5,581.13	N/A	616.57	616.57
Subtotal reimbursed for 471/bid discrepancy:						803,485.53		
Total that should be reimbursed for 471/bid discrepancy:						803,485.53		
Amount to be reallocated for 471/bid discrepancy:						(11.84)		
Subtotal reimbursed for returns:						68,863.18		
Total that should be reimbursed for returns:						68,863.18		
Amount to be reallocated for 471/bid discrepancy:						(0.43)		
TOTAL AMOUNT TO BE REALLOCATED (assigned to FRN 83145 - Westview for simplicity - reimbursement reduced from \$16.57 to \$64.48):						(12.27)		

Sprint Corporate Audit Services

Attachment 51

[illegible]

CONFIDENTIAL TREATMENT REQUESTED

CONFIDENTIAL TREATMENT REQUESTED

[illegible]

CONFIDENTIAL TREATMENT REQUESTED

Sprint Corporate Audit Services

CONFIDENTIAL TREATMENT REQUESTED

Package Type	School Name	FNU Number	Funding Year	5- Rate Discount Made (%)	UBIAO New Transfer Number	UBIAO New Transfer Amount	Average Ineligible Equipment Fenced for this type of FRN	Amount Reimbursed for the SLD from Special for Ineligible Equipment	Average a Refund for this type of FRN	Amount Reimbursed for the SLD from Special for Ineligible Equipment	Net
7	SOUTH OAKS BR HIGH SCHOOL	447787	1998	50%	0000071326	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
7	FOURIES O BROADDOCK BR HIGH SCHOOL	447787	1998	50%	0000071411	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
7	HAILEIGH BR HIGH SCHOOL	447776	1998	50%	0000071326	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
7	RAMAR BLANSET BR HIGH SCHOOL	447768	1998	50%	0000071326	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
7	NORTH-AMAR BEACH BR HIGH SCHOOL	447730	1998	50%	0000071411	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
7	SOUTHAVEST AMAM	447735	1998	50%	0000071326	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
7	CORAL REEF BR HIGH SCHOOL	447771	1998	50%	0000071411	153,251.40	21,544,838.00	153,251.40	153,251.40	153,251.40	153,251.40
Total Reimbursement Amount for Ineligible Equipment							244,147.15		Total Reimbursement Amount for Refunds	\$15,191.83	\$872,748.75

Yount amount in rebalance to the SLD:	570,832.85
AMOUNT TO BE REALLOCATED (assigned to FRN 447271 for simplicity; reimbursement was 2803.26, and included in \$2587.16):	(111,709)

Before the
Federal Communications Commission
Washington, D.C. 20554

RECEIVED

JAN 21 2005

Federal Communications Commission
Office of Secretary

In the Matter of:

Federal-State Joint Board on
Universal Service

Schools and Libraries Support Mechanism

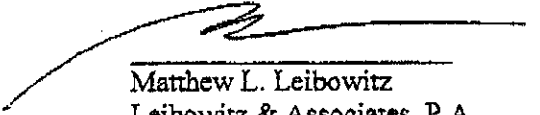
CC Docket No: 02-6

To: The Commission

Revised Certificate of Service

It has come to the attention of the School Board of Miami-Dade County that our Motion to Compel Service by Sprint-Florida, Inc. was not properly served pursuant to FCC Rule 1.47. Accordingly, this pleading has been revised and is being reserved on all interested parties. While served electronically, it was not served in the form of a paper copy and as such, it is being hand served with the Secretary of the Commission today.

Respectfully Submitted,


Matthew L. Leibowitz
Leibowitz & Associates, P.A.
One SE Third Avenue, Suite 1450
Miami, Florida 33131
Counsel to Miami-Dade County Public Schools

January 21, 2005

EXHIBIT 8

LEIBOWITZ & ASSOCIATES, P.A.

SUITE 1450

SUNTRUST INTERNATIONAL CENTER
ONE SOUTHEAST THIRD AVENUE
MIAMI, FLORIDA 33131-1715

JOSEPH A. BELISLE
ILA L. FELD
MATTHEW L. LEIBOWITZ
ELENI C. PANTARIDIS
THOMAS H. WILLIAMS

TELEPHONE (305) 530-1322
TELECOPIER (305) 530-9417
E-MAIL Firm@broadlaw.com

December 17, 2004

VIA FEDERAL EXPRESS
AND FACSIMILE 202-766-0080

Mr. George McDonald
Vice President
Universal Service Administrative Company
Schools & Libraries Division
2000 L Street N.W., Suite 200
Washington, DC 20036

RE: Compliance with Schools and Libraries Support Mechanism
Request for documentation

Dear Mr. McDonald:

The letter of December 6, 2004, from George MacDonald, Vice President of USAC to Rudolph F. Crew, Ed.D., Superintendent of Schools of Miami-Dade County Public Schools is, as noted therein, subject to Federal Communications Commission ("Commission") review under a timely filed appeal.

Accordingly, pursuant to § 54.721(d) of the Commission's Rules, MDCPS is entitled to full documentation of all allegations regarding prohibited conduct made by Sprint. These materials were improperly withheld from Miami-Dade County Public Schools ("MDCPS"). Thus, I hereby request that you provide us a complete copy of the August 28, 2003, appeal submitted by Sprint - Florida, Inc., and an un-redacted complete copy of the January 26, 2004 letter of appeal by Sprint-Florida with respect to the June 30, 2003, USAC request to Sprint for recovery of erroneous disbursed funds, 471, Application No. 140214; with respect to Dade County Public Schools (a/k/a Miami-Dade County Public Schools) for the funding year 1999. Given the short timeframe in which Miami-Dade has to appeal the December 6, 2004, letter, I would respectfully request that I receive the above-requested attachments in no more than five days from the date of receipt of this letter.

While the Commission's rule requires no showing of need and is mandatory in its language, by way of background, MDCPS believes that they need such documents to fully understand the

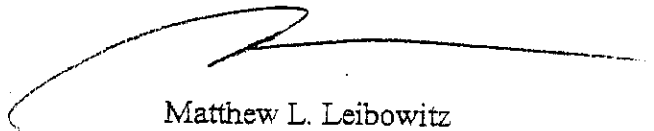
Letter to Mr. George McDonald
December 17, 2004
Page 2

nature of Sprint's allegations in order to fully respond. Furthermore, any argument by Sprint that the information contained in these letters must remain privileged and confidential due to sensitive pricing information is undermined by the fact that this pricing information, pursuant to state sunshine laws, are already part of the public record as they involve contracts with MDCPS.

Moreover, noting that Sprint alleges that it alone has spent 4500 hours conducting their internal investigations, MDCPS has an exceedingly burdensome task and limited timeframe to respond to these allegations. We believe that the complete Sprint documents will expedite MDCPS' review and preparation of its appeal.

If you have any questions, please feel free to contact me at your convenience.

Sincerely,



Matthew L. Leibowitz

cc: Kristy Carroll, Esq. (via facsimile (202) 776-0080)
Sean Murphy, Esq. (via facsimile (913) 523-9641)

EXHIBIT 9

LEIBOWITZ & ASSOCIATES, P.A.

JOSEPH A. BELISLE
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MATTHEW L. LEIBOWITZ
DANIEL J. MARGOLIS
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E-MAIL FIRM@BROADLAW.COM

January 13, 2005

VIA E-MAIL foia@fcc.gov

Federal Communications Commission
Office of the General Counsel
445 12th Street, S.W.
Washington, DC 20554

RE: Request for Expedited Processing – Freedom of Information Act Request

**In the Matter of Schools and Libraries
Universal Service Support Mechanism
CC Docket No. 02-6**

Dear Sir or Madam:

Miami-Dade County Public Schools ("MDCPS"), through their counsel, hereby respectfully requests the Federal Communications Commission, pursuant to the Freedom of Information Act in accordance with 47 C.F.R. § 0.461, provide MDCPS with certain documents as more specifically described below.

We request the production of the following documents and all attachments thereto, without redaction:

1. Sprint – Florida, Inc.'s ("Sprint") Appeal to the Universal Service Administration Company, Schools and Libraries Division, Request for Recovery of Erroneously Disbursed Funds, dated June 30, 2003, with respect to Form 471, Application No. 140214, Applicant: Dade County Public Schools a/k/a Miami-Dade County Public Schools. Funding Year 1999, Funding Request Numbers affected: All in Application No. 140214 plus others as specified in Attachment 1.

2. Sprint's Supplemental Response Notice of Appeal. Recovery of Erroneously Disbursed Funds dated June 30, 2003. Form 471, Application No. 140214, Applicant: Dade County Public Schools a/k/a Miami-Dade County Public Schools, Funding Year 1999, Funding Request Numbers Affected: All in Application No. 140214 plus others as specified in Attachment 1.

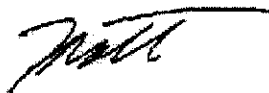
MDCPS has been denied access to document number 1 and only recently been provided redacted copies of document 2, without any attachments. Thus, MDCPS has been denied its right pursuant to Section 54.721(d) to file a response with USAC contesting allegations against it made by Sprint. As a direct result, MDCPS has received a Suspension Letter from USAC deferring action on any pending or future funding requests for millions of dollars under the Schools and Libraries Universal Service Support Mechanism. MDCPS requires the documents in order to fully respond for the first time to allegations of prohibitive conduct made against it by Sprint in its appeal of the USAC letter dated December 6, 2004. The appeal is due on February 4, 2005.

It appears that Sprint has submitted the January 26, 2004 letter to USAC and requested USAC to keep the document confidential and limit its distribution. As a result, USAC provided MDCPS only a redacted copy of the of the January 26, 2004 letter as an attachment to the December 6, 2004 USAC letter to MDCPS. However, to the best of MDCPS's knowledge, Sprint failed to comply with § 0.459 of the Commission's Rules and never filed a formal request that these materials be withheld from public inspection. If Sprint did file any such request, it did not serve MDCPS with a copy, and thus denied MDCPS with an opportunity to oppose such treatment. Notwithstanding the above, in the event that some or all of these documents actually contain commercial or financial information or trade secrets that would be the legitimate basis for withholding them from routine public inspection, MDCPS respectfully requests the documents be made available pursuant to a Protection Order or Confidentiality Order, which would allow access and use of the documents by MDCPS and its representation to defend itself against allegations of prohibitive conduct contained in such documents.

Although MDCPS believes that it is entitled to service of these documents by Sprint, pursuant to § 54.721(d) of the Commissions Rules, MDCPS is prepared to pay up to \$500.00 for any search and review fees deemed necessary by the Commission. In the event additional charges may be incurred, please contact the undersigned counsel.

If you have any further questions, please do not hesitate to contact me at 305-530-1322.

Respectfully Submitted:



Matthew L. Leibowitz
Counsel for Miami-Dade County Public Schools

cc: Kristy Carroll, Esq.
Sean Murphy, Esq.
Mr. George MacDonald
Narda Jones, Esq.
Vicki S. Robinson, Esq.
Anthony Dale, Esq.

EXHIBIT 10

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of:)	
)	
Federal-State Joint Board on)	
Universal Service)	CC Docket No. 02-6
)	
Schools & Libraries Support Mechanism)	
)	

To: The Commission

Miami-Dade County Public Schools' Motion to Compel Service by Sprint-Florida, Inc.

1. Miami-Dade County Public Schools ("MDCPS") respectfully requests the Federal Communications Commission ("FCC") to issue an Order compelling Sprint-Florida, Inc. ("Sprint") to comply with FCC Rule §54.721(d) and provide copies of all pleadings, correspondence, documents, etc., that Sprint has provided and may provide in the future to the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") with respect to MDCPS's non-compliance with Schools and Libraries Support Mechanism Rules ("SLSM").^{1, 2}

History of Proceeding

¹ MDCPS reserves its rights to include violations of § 54.721(b) in its appeal of the USAC December 6, 2004 letter.

² Recognizing the expeditious treatment by the Commission on Freedom of Information Act ("FOIA") requests and the minimum time remaining prior to filing MDCPS' appeal to the USAC December 6, 2004 letter, MDCPS filed an FOIA request, at USAC's suggestion, with the FCC on January 13, 2005 with respect to these documents. However, the grant of the FOIA will not result in future compliance with the Commission's service requirements, and thus, MDCPS believes the instant Motion is also appropriate.

2. In December 2002 - January, 2003, the Internal Audit Division of USAC performed *an audit of MDCPS's SLSM for Funding Year 1999*. The Audit Division reported its findings to Mr. George McDonald, Vice President of Schools and Libraries Division on January 17, 2003. While the audit found MDCPS in compliance with many aspects of the SLSM, the audit also found that certain components that were to be included within Private Branch Exchange (PBX) systems ordered by MDCPS were not found in their physical inventory of sampled schools. Based on the documentation received and the physical inventories performed at the schools sampled, the Audit Division estimated the total amount funded by SLD for the equipment that could not be located to be Thirty Three Thousand Two Hundred Nine Dollars and 10/100 (\$33,209.10). In addition, USAC sought recovery in the amount of Three Hundred Ninety Eight Thousand Five Hundred Sixty-Seven Dollars and 80/100 (\$398,567.80), based on extrapolated audit findings made by USAC of analog station modules and analog terminal adapters at the remaining 135 schools that were not inventoried. Accordingly, a Recovery of Erroneously Disbursed Funds Letter was sent to Sprint on June 30, 2003, requesting the return of over Four Hundred Thousand Dollars (\$400,000.00).

3. On August 28, 2003, Sprint filed an Appeal of USAC's June 30, 2003 Request for Recovery of Erroneously Disbursed Funds ("Sprint Appeal"). Sprint failed to serve MDCPS with a copy of their Appeal. MDCPS also filed a Appeal of the June 30, 2003 Request on August 28, 2003.³ Subsequently, on January 26, 2004 Sprint filed a Supplemental Response to Notice of Appeal ("Supplement"). Sprint, in its Supplement, made numerous allegations of prohibitive misconduct by MDCPS. Again, Sprint failed to serve MDCPS with a copy of its Supplement.

³ MDCPS asserted that based on an actual inventory the correct amount of overfunding was not Four Hundred Thousand Eight Hundred Eighty-Eight Dollars and 30/100 (\$424,888.30), but One Hundred Sixty Thousand and Nine Hundred Ninety-Nine Dollars and 20/100 (\$160,994.20). MDCPS' appeal did not allege any prohibitive conduct by Sprint in its appeal.

4. On December 6, 2004, MDCPS received a letter from USAC ("Suspension Letter") *suspending action on all pending or future FCC Forms 471 submitted by MDCPS until USAC determines that MDCPS has reasonably complied with certain requests contained in its Suspension Letter.* Attached to the letter was a redacted copy of Sprint's Supplement. This was the first time MDCPS received a copy of the Supplement. The Suspension Letter was the direct result of issues raised by the Sprint Appeal, and the Supplement.

5. On December 16, 2004, counsel for MDCPS requested Sprint to provide MDCPS with copies of its Appeal, Supplement and attachments thereto. Unfortunately, Sprint has not yet responded.

6. On December 17, 2004, counsel for MDCPS sent a letter to USAC requesting USAC provide MDCPS un-redacted copies of Sprint's documents and attachments. A copy of this letter is attached hereto as Exhibit A. Counsel for USAC has orally informed counsel for MDCPS that USAC will not provide MDCPS the necessary Sprint documents, nor will it require Sprint to provide the documents to MDCPS.

Argument

7. Section 54.721(d) of the Commission's Rules provides, in relevant part, that "if a request for a review filed pursuant to § 54.720(a) through (e) alleges prohibitive conduct on the part of a third party, such request shall be served on the third party consistent with the requirements of service of documents set forth in §1.47 of this chapter...." Sprint's Appeal, and its Supplement were filed Pursuant to § 54.720(b).

8. In its January 26, 2004 Supplement, Sprint repeatedly accuses MDCPS of prohibitive conduct. Sprint's statements include allegations of misstatements on FCC Form 471 applications

made by MDCPS.⁴ Sprint allegedly "identified a number of discrepancies between the Item 21 attachment submitted by Miami-Dade and Sprint's documentation for these transactions."⁵ Sprint alleged that Miami-Dade overstated the cost amounts for certain systems while Sprint's bid documents showed lower prices for these items.⁶ Sprint made allegations that MDCPS failed to include original equipment manufacturer discounts that were passed along to MDCPS by Sprint.⁷ Sprint made allegations that MDCPS' FCC Form 471 failed to incorporate trade-in credits in calculating total equipment prices.⁸ Sprint even went so far as to allege that MDCPS asked Sprint to apply credits from E-rate eligible purchases toward the purchase of E-rate ineligible equipment.⁹

9. It is also clear that USAC considered these allegations related to prohibitive conduct. In the Suspension Letter, USAC concludes that "The audit finding(s) and other issues identified by Sprint indicate that MDCPS failed to comply with one or more of the certifications that were made on program forms and/or that MDCPS has otherwise failed to comply with program requirements."¹⁰ Emphasis added. Based upon USAC's conclusion in its Suspension Letter, there can be no doubt that Sprint's pleadings included allegations of "prohibitive conduct" by MDCPS.

10. Therefore, pursuant to § 54.721(d) of the Commission's Rules, Sprint was required

⁴ See Supplement at 2.

⁵ *Id.* at 6.

⁶ *Id.* at 8.

⁷ *Id.* at 8-9.

⁸ *Id.* at 9.

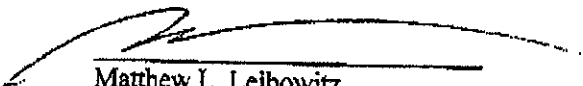
⁹ *Id.*

¹⁰ See Suspension Letter at 2.

to serve MDCPS with its Appeal and its Supplement. Sprint violated the Commission's Rule by failing to do so.

11. Accordingly, we respectfully request an Order Compelling Sprint to provide full, complete and unredacted copies of its August 28, 2003 Appeal, its January 26, 2004 Supplemental Response to Notice of Appeal to MDCPS, and any documents related thereto, as well as serving MDCPS with any future documents related thereto.¹¹

Respectfully Submitted,



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Counsel to Miami-Dade County Public Schools

January 18, 2005

¹¹ Apparently, at some unknown date, Sprint had made *ex parte* requests to USAC to keep this information confidential and limit distribution due to claimed "highly sensitive business information" contained therein. Notwithstanding that Sprint failed to file any request pursuant to §0.459 of the Commission's Rules and serve MDCPS with its request, USAC improperly accepted Sprint's uncontested assertions, redacted the Supplement provided to MDCPS and strongly urged MDCPS to keep the document confidential. MDCPS strongly believes that both USAC and Sprint violated the Commission's rules by redacting sections and withholding the documents from MDCPS and as a result denied MDCPS its rights to respond to any confidentiality request, and, alternatively to defend itself against allegations of prohibitive conduct prior to USAC's issuance of its Suspension Letter. However, given the necessity to timely appeal the Suspension Letter to demonstrate MDCPS' compliance with the SLSM and to seek reinstatement of millions of dollars of pending and future funding requests, MDCPS would agree to receive these documents under a Protection Order, so long as the documents are available to MDCPS and its representatives in order to defend itself against these stealth allegations.

EXHIBIT 11

Maria Alonso-Martinez

From: Matthew L. Leibowitz
Sent: Wednesday, December 22, 2004 10:59 AM
To: 'gmcdonald@universalservice.org'; 'Kristy Carroll Esq. (kcarroll@universalservice.org)'
Cc: 'osanpedro@dadeschools.net'; 'dkarcher@dadeschools.net'; 'tmachado@dadeschools.net'
Subject: Scope of Audit

Mr. George McDonald & Ms. Kristy Carrol:

On behalf of the Miami-Dade County Public Schools ("Miami-Dade"), I respectfully request that USAC reduce the scope of its inquiry and document request contained in your December 6, 2004 letter from George McDonald to Rudolph F. Crew, Ed. D ("Letter").

Specifically, the Letter requests that Miami-Dade provides information and documentation addressing **any and all** service providers, for the period covering Funding Year 1999 through current, regarding certain alleged improper actions by Miami-Dade.

While Miami-Dade will address its concerns to the Letter in its Appeal to the FCC, we wish to bring to SLD's attention the enormous burden the above referenced requests would place on Miami-Dade. It is estimated that to successfully meet the scope of this request, it would be necessary for the entire team of Miami-Dade's field technicians (consisting of thirty individuals) to dedicate their time exclusively to this project for approximately nine (9) months to a year. This time period is consistent with the 4500 hours that Sprint allegedly spent in their individual effort. This far exceeds the 6 month period in which USAC will reserve funds to make commitments on pending FCC Form 471s. The total estimated direct costs only for this effort would exceed \$2 Million. In addition, since all available field technicians would be working full time on this project, the normal technical operations and maintenance district would have to either be shut down or contracted out to a third party. Such third party contracting would cost in excess of an additional \$2.5 Million, thereby bringing the total expenditure to over \$4.5 Million.

Accordingly, at this time, we respectfully propose a more narrowly tailored approach to the alleged violations. Specifically, we suggest that Miami-Dade audit, through a random sampling, the next largest service provider of equipment for the originally audited period, July 1, 1999 through June 30, 2000. Miami-Dade would focus its audit on the specific issues raised by USAC and Sprint. In the event that USAC may require more information after their review of this material, Miami-Dade would comply.

Please contact me back at your convenience so that we may further discuss these proposed possibilities.

Respectfully submitted,

Matthew L. Leibowitz

Matthew L. Leibowitz, Esq. (Mleibowitz@broadlaw.com)

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2/3/2005